



STRAX



**Q1
2021**

STRAX

STRAX delivers strong growth despite continued Covid-19 lockdowns

- The Group's sales for the period January 1 – March 31, 2021, amounted to MEUR 28.1 (22.2), with a gross margin of 18.5 (26.7) percent.
- The Group's result for the period January 1 – March 31, 2021, amounted to MEUR -1.4 (-2) corresponding to EUR -0.01 (-0.02) per share.
- EBITDA for the period January 1 – March 31, 2021, amounted to MEUR 0.3 (0.3).
- Equity as of March 31, 2021 amounted to MEUR 17.8 (18.2) corresponding to EUR 0.15 (0.15) per share.
- A bid for all outstanding shares in ZAGG shares was approved on February 18, 2021. The bid level was at the current share price so will not have an effect for the P&L but will contribute with approximately 2.5 MEUR in cash, with a potential upside of USD 0.25 per share if certain conditions are met corresponding to an additional USD 159.4 thousands.

Significant events after the end of the period

- STRAX subsidiary Urbanista, the Swedish lifestyle audio brand, announced Urbanista Los Angeles, the world's first self-charging, wireless active noise cancelling headphones, powered by Powerfoyle™ solar cell material. Using advanced green technology, Los Angeles converts all forms of light, outdoor and indoor, into energy to deliver virtually infinite playtime.

"Our strong sales growth in Q1 was driven by the Health & Wellness product category and we also experienced positive development in accessories and audio products relative to 2020. All our markets were affected by some form of lockdown or social restrictions due to the COVID-19 pandemic during the quarter, which negatively impacted sell-through with our brick-and-mortar customers."

Gudmundur Palmason, CEO

This information is information that STRAX AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:55 CET on May 26, 2021.

WE INNOVATE, WE CREATE, WE INSPIRE, WE DELIVER

STRAX is a global leader in accessories that empower mobile lifestyles. Our portfolio of accessories brands targets broad channel scope as well as different customer demographic and covers all major mobile product categories: Protection, Power, Personal Audio and Connectivity. In response to the ongoing pandemic, STRAX pivoted into Health & Wellness products, with an initial focus on personal protection equipment, such as face masks, gloves and sanitizers. Our success lies in a strong offline and online distribution network and best-in-class customer service, delivered by a stellar team.

We develop and grow brands through an omnichannel approach, and we operate two complementary businesses: **Own brands** – including Urbanista, Clckr, Richmond & Finch, Planet Buddies, xqisit, AVO+, and licensed brands such as adidas, Bugatti, Diesel, SuperDry and WeSC – and **Distribution** (traditional retail, enterprises, and online marketplaces). In addition to own and licensed brands, STRAX distributes over 40 major mobile accessory brands and several Health & Wellness brands with an initial focus on personal protection equipment. We sell into all key sales channels ranging from telecom operators, mass merchants and consumer electronics to lifestyle retailers, large enterprises and direct to consumers online.

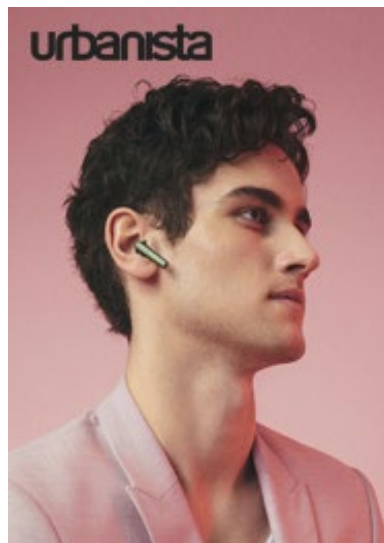
Founded in Miami and Hong Kong in 1995, STRAX has since expanded worldwide. Today, we have over 200 employees in 13 countries, with our operational HQ and logistics center in Germany. STRAX is listed on the Nasdaq Stockholm stock exchange.

OWN BRANDS – MOBILE ACCESSORIES



INNOVATIVE PROTECTION, AUDIO, POWER & CHARGING SOLUTIONS

With an extensive product portfolio ranging from protection to audio and power, XQISIT brings mid-priced innovative, quality design and functionality to value-conscious consumers.



HIP AUDIO ACCESSORIES WITH SCANDINAVIAN DESIGN

Based in Stockholm, Urbanista is a market leader in its region, combining avant-garde design with the latest in audio technology. The products are designed for a life in motion and built to inspire and endure.



PREMIUM STRENGTH GLASS SCREEN PROTECTION DESIGNED FOR A SEAMLESS FIT

Responding to the growing market demand for tempered glass protection, THOR is a higher quality, premium product, priding itself on being meticulously designed to fit any phone perfectly.



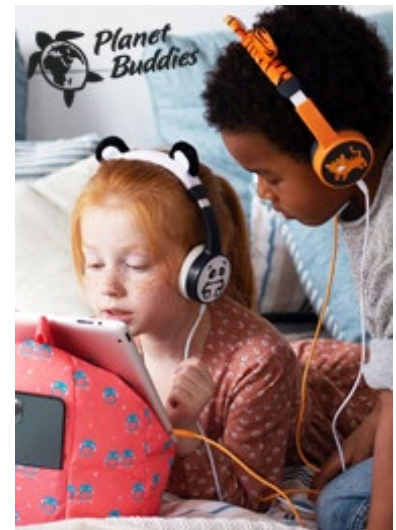
A UNIVERSAL PHONE GRIP AND STAND

A patented universal and multi-functional phone grip that helps prevent users dropping their phone, enables better quality selfies and a more enhanced mobile video watching experience. A thin and stylish design, Clckr is easy to apply using 3M-adhesive which will not leave residue.



PREMIUM LIFESTYLE BRAND

Richmond & Finch is a Scandinavian tech accessories brand. Richmond & Finch designs and produces contemporary mobile phone and travel accessories. The unisex lifestyle brand creates unique designs which reflect current fashion trends.



CHILDRENS BRAND

Planet Buddies have created a range of kids' accessories based on a variety of colorful characters who represent endangered, vulnerable, and threatened species of animals from all over the world. Their goal is to educate children about the issues that threaten animals with extinction at the same time as offering great and fun products such as headphones and speakers.

LICENSED BRANDS



FOR ACTIVE USE IN THE GYM AND OUTDOORS

adidas Sports aims to set a new bar in the fast-growing market of tech accessories. The new collection of sports cases consists of a variety of flexible armbands, smart waist straps and highly protective anti-slip and anti-shock cases. The adidas Sports cases are carefully designed to protect smartphones during intense workouts or outdoor activities.



STREET WEAR INSPIRED PROTECTION

adidas Originals continues to evolve the brand's legacy through its commitment to product innovation. Inspired by the creativity and courage found in sporting arenas, the adidas Originals smartphone cases combine contemporary youth culture design with resilient protection features.



CHIC AND REFINED PROTECTION

The bugatti brand aims to reflect the cultural and creative diversity of Europe. bugatti's handmade smartphone cases are crafted from high-quality full grain leather and come in a range of timeless colors, epitomizing elegance, and quality workmanship.



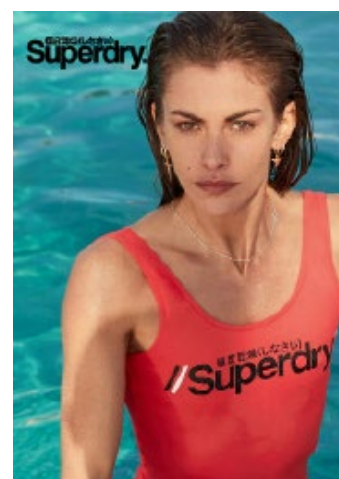
DISTINGUISHED DEVICE CASES

A small yet distinguished collection of device cases for which the license was acquired from adidas in 2013. This TLF and Y-3 collaboration offers a variety of statement smartphone protection- and booklet cases. Combining adidas design, quality, and durability with the unique, eye-catching designs of Japanese fashion designer Yohji Yamamoto.



PREMIUM STREET WEAR & ACCESSORIES

TLF acquired the license for WeSC in 2020. WeSC designs, markets, and sells clothing & accessories in the premium street wear segment of the international market under the WeSC (We are the Superlative Conspiracy) brand. WeSC's shares are traded on the Nasdaq First North Growth Market and the company's Certified Adviser is G&W Fund Commission.



ICONIC AND CONTEMPORARY FASHION BRAND

TLF acquired the license for Superdry in 2020. Founded in the UK in 2003, Superdry has become an iconic and contemporary fashion brand focusing on high-quality products that fuse vintage Americana with Japanese-inspired graphics. Characterized by quality fabrics, authentic vintage washes, unique detailing, and world leading graphics, Superdry has gained exclusive appeal as well as a global celebrity following.



FOR SUCCESSFUL LIVING

The Diesel slogan for the brand's DNA from the very start. TLF acquired the licence for Diesel to launch mobile accessories in 2020. Through a long and storied history of strong, iconic, and playful campaigns Diesel has become a leader in advertising as well as in fashion.

OWN BRANDS – HEALTH & WELLNESS



AVO+ fills the void in the market for appealing, well marketed, value-oriented solutions for consumer healthcare. Understanding that consumers prefer products and packaging that has been designed for their environment and use case AVO+ has resonated with consumers in markets across the world with its bright/fresh easy to understand concept.

COMMENTS FROM THE CEO

"Our strong sales growth in Q1 was driven by the Health & Wellness product category and we also experienced positive development in accessories and audio products relative to 2020. All our markets were affected by some form of lockdown or social restrictions due to the COVID-19 pandemic during the quarter, which negatively impacted sell-through with our brick-and-mortar customers. Nonetheless, markets such as France and Switzerland delivered excellent results, while Germany and the UK continued to be challenged. The entire STRAX team is committed to riding out the storm and remains optimistic that we are well positioned to deliver accelerated growth rates in the second half of 2021 and beyond.

Sales in Q1 amounted to MEUR 28.1 (22.2), corresponding to an increase of MEUR 5.9 or 26.6% compared to last year. EBITDA during the quarter increased to MEUR 0.34 (0.28), an increase of 23.2% YoY. Mobile accessories sales were MEUR 21.4 (22.2), representing a decrease of 3.5% YoY and sales from the Health & Wellness product category were MEUR 6.7, equalling 23.8% of total sales during the quarter. Trailing twelve-month (TTM) sales stand at MEUR 117.7 and TTM EBITDA is MEUR 8.6.

The group delivered a solid performance during the quarter despite the challenging brick-and-mortar retail environment for mobile accessories and audio products. We continued to improve our capabilities in the Health & Wellness sector and delivered products globally. We expect this development – coupled with the positive sales trend for our core accessories and audio – to continue for the foreseeable future. Given the current Health & Wellness product range and composition of our customer base in this business area, our gross margin is lower than in our traditional accessories business, resulting in lower average blended gross margin for the STRAX group. To address this, our Health & Wellness team continuously explores opportunities to further develop AVO+, while reviewing new brands for distribution to our vast customer base, both avenues that will improve our blended margins in this segment.

We are experiencing a similar development in our online sales activities, namely strong growth amid compressed margins, with the important difference here being a shorter-term impact. We eventually expect to achieve growth at margins equivalent to those in our traditional B2B markets. While our e-commerce learning curve has been quite steep, with some missteps along the way, I believe that we have now established the right mix of in-house and external resources to achieve scalable and profitable growth for our own brands across all online sales channels.

Our overarching value creation strategy of own brands and broad distribution reach remains intact. All our own brands continue to improve their product range and marketing assets and are ready to seize the opportunities in a post Covid-19 world. We are already seeing an increase in sales for Urbanista, Richmond & Finch and Planet Buddies, and we expect to deliver strong YoY growth across the entire own brands portfolio in 2021. Furthermore, we are developing two unique digital native audio brands, which will be launched now in Q2.

To safeguard STRAX during the pandemic we kept on several companywide cost saving measures from last year and took advantage of the state backed programs that were available to us. Our plan is to continue to operate at these reduced operating expense levels until we see demand for accessories and audio products return to pre-pandemic volume in traditional retail, which we now anticipate being one to two quarters out.

We continue to see ongoing lockdowns in several of our key markets. However, given the successful Covid-19 vaccine rollout in Europe and North America our expectation is that the situation will gradually improve and that we may possibly experience full market recovery for accessories and audio products by the end of Q2. What is more, our expansion into Health & Wellness products has put us in a much better position to navigate this period of uncertainty. Despite ongoing market disruptions related to Covid-19, we still expect modest growth in the first half of 2021, with accelerated growth in the second half of the year, during which all of our traditional accessories and audio product categories should have returned to 'normal' trading levels, although demand for PPE products is expected to recede.

Last but not least, I would like to reiterate that I am confident STRAX is a stronger company today having successfully navigated the COVID-19 pandemic. I remain proud of the entire STRAX team for showing such resilience and agility throughout these challenging times."

The Board of Directors and the CEO of Strax AB hereby submit the interim report for the period January 1 – March 31, 2021

All amounts are provided in EUR thousands unless otherwise stated. Figures in parentheses refer to the corresponding period the previous financial year. Information provided refers to the group and the parent company unless otherwise stated.

Result and financial position January 1 – March 31, 2021

The Group's net sales for the period January 1 – March 31, 2021 amounted to 28 129 (22 212). Gross profit amounted to 5 199 (5 936) and gross margin amounted to 18.5 (26.7) percent. Operating profit amounted to -253 (-171).

Result for the period amounted to -1 404 (-1 929). The result included gross profit 5 199 (5 936) selling expenses -4 653 (-4 911), administrative expenses -1 042 (-1 461), other operating expenses -1 554 (-2 315), other operating income 1 798 (2 580), net financial items -671 (-3 129) and tax -480 (1 371).

As of March 31, 2021, total assets amounted to 96 310 (84 308), of which equity totaled 17 801 (18 171), corresponding to equity/assets ratio of 18.5 (21.6) percent. Interest-bearing liabilities as of March 31, 2021, amounted to 1 197 (18 425). The group's cash and cash equivalents amounted to 4 057 (2 576).

Significant events during the period

A bid for all outstanding shares in ZAGG shares was approved February 18, 2021. The bid level was at the current share price so will not have an effect for the P&L but will contribute with approximately 2.5 MEUR in cash, with a potential upside of USD 0.25 per share if certain conditions are met corresponding to an additional USD 159.4 thousands.

Seasonal and phone launch fluctuations

STRAX operations have defined fluctuations between seasons, whereby the strongest period is September-November. This means the greater part of the STRAX result is generated during the second half of the year provided the trends from the last five years continue. Timing and supply of hero smartphone launches, e.g. iPhone and Samsung Galaxy, also impacts STRAX results, with these being hard to predict and sometimes challenging to manage.

Investments

Investments during the period amounted to a total of -677 (-335), of which investments in intangible assets amounted to -189 (263), property, plant and equipment amounted to -232 (-72) and investments in subsidiaries amounted to -256 (-).

The parent company's result for the period amounted to - (-). The result included gross profit of 230 (253), administrative expenses -303 (-268) and net financial items 73 (15). As of March 31, 2021, total assets amounted to 77 214 (80 296) of which equity totaled 63 076 (63 076). Cash and cash equivalents amounted to 911 (3 976).

Significant events after the end of the period

STRAX subsidiary Urbanista, the Swedish lifestyle audio brand, announced Urbanista Los Angeles, the world's first self-charging, wireless active noise cancelling headphones, powered by Powerfoyle™ solar cell material. Using advanced green technology, Los Angeles converts all forms of light, outdoor and indoor, into energy to deliver virtually infinite playtime.

Future development

STRAX will play an active role in shaping the mobile accessories industry both offline and online in all its targeted geographic markets. We will continue to grow our businesses within the strategic framework that we launched in 2016 and refined in 2019, while simultaneously strengthening our operating platform. This will enable us to drive our own brand growth strategy through offline and online sales channels globally with fewer resources. While retaining market share in western Europe, STRAX will at the same time invest and grow at an accelerated rate in North America, and strategic markets in the rest of the world. STRAX will furthermore invest in eCommerce sales channels, both direct brand websites and marketplaces, to improve margins, diversify its traditional retail customer base and secure growth. STRAX has enjoyed positive developments in sales in recent years, except for the heavily impacted Covid-19 pandemic year of 2020. We expect continued organic growth, driven specifically by own brands and improvements in our profitability. We have completed the acquisition of Brandvault, the global online marketplace experts, and established an in-house digital marketing team. We expect our online sales to grow significantly, albeit from a relatively low base, with eCommerce accounting for 50% of our sales in 3 years. STRAX furthermore intends to play an active role in the ongoing consolidation of our industry through acquisitions, divestments, and partnerships. Reduced overall demand for mobile accessories, stemming from the Covid-19 pandemic, is expected to continue into mid-2021 but will not alter our mid- to longer-term plans in the product category. STRAX entered the health & wellness product category with promising results. To a large extent we utilize our existing resources, infrastructure and distribution competence. Although still being in a relatively early stage of addressing existing customers and developing new customer relationships, we feel strongly about the potential and long-term sustainability of the product category, given that changes in behavior, as a result of Covid-19, are most likely permanent. This applies to the usage of face masks, gloves and various sanitizing products. The new health & wellness category furthermore provides diversification and can reduce our seasonality stemming from the mobile accessories industry.

Risks and uncertainties

Risk assessment, i.e. the identification and evaluation of the company's risks is an annual process at STRAX. Risk assessment is done in the form of self-evaluation and includes establishing action plans to mitigate identified risks. The primary risks present in STRAX business activities are commercial risk, operative risk, financial risk relating to outstanding receivables, obsolete inventory, and currency risk. Other risks that impact the company's financial operations are liquidity, interest rate and credit risk. The company is to some extent dependent on a key number of senior executives and other key personnel to run its operations, and is dependent on a functioning distribution chain, logistics and warehousing.

As a result of the Covid-19 virus, sales started decreasing from second week of March 2020. Relative weakness in mobile accessories sales was prevalent throughout 2020 and is expected to remain until Q2 2021. Measures have been taken in all parts of the business to mitigate the impact of the coronavirus, including in the following areas:

- Adjustments to product purchasing plans
- Reduction of operating expenses through reduced working hours or direct salary reductions, and reductions of rent, marketing and travel expenditures
- Credit facilities are being expanded to strengthen liquidity
- Increased activities in online channels
- Distribution of medical products, such as face masks, gloves and hand sanitizers

For further information on risks and risk management, reference is made to the 2020 annual report.

FINANCIAL CALENDAR:

May 26, 2021
Annual General Meeting

August 25, 2021
Interim report January – June 2021

November 25, 2021
Interim Report January – September 2021

**For further information
contact:**

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The Board is registered in Stockholm,
Sweden.

The report has been prepared in Swedish and translated into English.
In the event of any discrepancies between the Swedish and English translation, the former shall have precedence.

The undersigned declare that the interim report provides a true and fair overview of the parent company's and the group's operations, financial position, performance and result and describes material risks and uncertainties facing the parent company and other companies in the group.

Stockholm, May 26, 2021

Bertil Villard
Chairman

Anders Lönnqvist
Director

Gudmundur Palmason
Director/CEO

Ingvi T. Tomasson
Director

Pia Anderberg
Director

This report has not been subject to an audit by the company auditor

Group

| | 2021 | 2020 | 2020 |
|---|---------------|---------------|----------------|
| | (3 months) | (3 months) | (12 months) |
| Key ratios | Jan 1– Mar 31 | Jan 1- Mar 31 | Jan 1 - Dec 31 |
| FINANCIAL KEY RATIOS | | | |
| Sales growth, % | 26.6 | -1.5 | 0.7 |
| Gross margin, % | 18.5 | 26.7 | 26.3 |
| Equity, MEUR | 17.8 | 18.2 | 18.2 |
| Equity/asset ratio, % | 18.5 | 21.6 | 18.3 |
| DATA PER SHARE | | | |
| Equity, EUR | 0.15 | 0.15 | 0.15 |
| Equity, SEK | 1.50 | 1.66 | 1.50 |
| Result, EUR | -0.01 | -0.02 | 0.01 |
| Result, SEK | -0.21 | -0.21 | 0.06 |
| Result per share prior to dilution, EUR | -0.01 | -0.02 | 0.01 |
| Result per share after dilution, EUR | -0.01 | -0.02 | 0.01 |
| NUMBER OF SHARES | | | |
| Number of shares at the end of the period | 120 592 332 | 120 592 332 | 120 592 332 |
| Average number of shares | 120 592 332 | 120 592 332 | 120 592 332 |
| Average number of shares during the period after dilution | 124 687 332 | 124 687 332 | 124 687 332 |
| EMPLOYEES | | | |
| Average number of employees | 231 | 218 | 224 |

Group

| | 2021 (3 months) Jan 1 – Mar 31 | 2020 (3 months) Jan 1 – Mar 31 | 2020 (3 months) Jan 1- Dec 31 |
|---|--------------------------------------|--------------------------------------|-------------------------------------|
| Summary income statements, KEUR | | | |
| Net sales | 28 129 | 22 212 | 111 790 |
| Cost of goods sold | -22 930 | -16 276 | -83 272 |
| Gross profit | 5 199 | 5 936 | 28 518 |
| Selling expenses | -4 653 | -4 911 | -17 817 |
| Administrative expenses ⁽¹⁾ | -1 042 | -1 461 | -3 924 |
| Other operating expenses | -1 554 | -2 315 | -12 121 |
| Other operating income | 1 798 | 2 580 | 12 117 |
| Operating profit | -253 | -171 | 6 774 |
| Financial income | 2 584 | - | - |
| Financial expenses | -3 255 | -3 129 | -5 931 |
| Net financial items | -671 | -3 129 | -5 931 |
| Profit before tax | -924 | -3 300 | 843 |
| Tax | -480 | 1 371 | -174 |
| PROFIT OR LOSS FOR THE PERIOD ⁽²⁾ | -1 404 | -1 929 | 669 |
| <i>Result per share before dilution, EUR</i> | <i>-0.01</i> | <i>-0.02</i> | <i>0.01</i> |
| <i>Result per share after dilution, EUR</i> | <i>-0.01</i> | <i>-0.02</i> | <i>0.01</i> |
| <i>Average number of shares during the period</i> | <i>120 592 332</i> | <i>120 592 332</i> | <i>120 592 332</i> |
| <i>Average number of shares during the period after dilution</i> | <i>124 687 332</i> | <i>124 687 332</i> | <i>124 687 332</i> |
| Statement of comprehensive income, KEUR | | | |
| Result for the period | -1 404 | -1 929 | 669 |
| Other comprehensive income, translation gains/losses on consolidation | 1 034 | - | -2 597 |
| Total comprehensive income for the period | -370 | -1 929 | -1 928 |

¹⁾ Depreciation and amortization for the period January 1 – March 31, 2021, amounted to 596 (450).

²⁾ The result for the period, respectively the total comprehensive income is attributed to the parent company's shareholders.

Operating segment

| | DISTRIBUTION | | | | OWN BRANDS | | | | OTHER | | | | TOTAL | | | |
|--------------------------|--------------|-------------|---------|-------------|------------|-------------|---------|-------------|---------|-------------|---------|-------------|---------|-------------|---------|-------------|
| | Q1 2021 | YTD Q1 2021 | Q1 2020 | YTD Q1 2020 | Q1 2021 | YTD Q1 2021 | Q1 2020 | YTD Q1 2020 | Q1 2021 | YTD Q1 2021 | Q1 2020 | YTD Q1 2020 | Q1 2021 | YTD Q1 2021 | Q1 2020 | YTD Q1 2020 |
| Net Sales | 14 443 | 14 443 | 15 742 | 15 742 | 13 685 | 13 685 | 6 470 | 6 470 | - | - | - | - | 28 129 | 28 129 | 22 212 | 22 212 |
| Net COS | -11 418 | -11 418 | -11 695 | -11 695 | -11 512 | -11 512 | -4 582 | -4 582 | - | - | - | - | -22 930 | -22 930 | -16 276 | -16 276 |
| Gross profit | 3 026 | 3 026 | 4 047 | 4 047 | 2 173 | 2 173 | 1 888 | 1 888 | - | - | - | - | 5 199 | 5 199 | 5 936 | 5 936 |
| Gross Margin | 21% | 21% | 26% | 26% | 16% | 16% | 29% | 29% | - | - | - | - | 18% | 18% | 27% | 27% |
| Distribution Costs | -1 701 | -1 701 | -2 395 | -2 395 | -2 868 | -2 868 | -2 517 | -2 517 | -85 | -85 | - | - | -4 653 | -4 653 | -4 911 | -4 911 |
| Administrative Expenses | -494 | -494 | -328 | -328 | -428 | -428 | -1 133 | -1 133 | -120 | -120 | - | - | -1 042 | -1 042 | -1 461 | -1 461 |
| Other Operating Expenses | -748 | -748 | -1 522 | -1 522 | -806 | -806 | -793 | -793 | - | - | - | - | -1 554 | -1 554 | -2 315 | -2 315 |
| Other Operating Income | 865 | 865 | 1 234 | 1 234 | 933 | 933 | 1 346 | 1 346 | - | - | - | - | 1 798 | 1 798 | 2 580 | 2 580 |
| EBIT | 948 | 948 | 1 036 | 1 036 | -997 | -997 | -1 208 | -1 208 | -205 | -205 | - | - | -253 | -253 | -172 | -172 |

Group

| | 2021 | 2020 | 2020 |
|---|---------------|---------------|---------------|
| Summary balance sheets, KEUR | Mar 31 | Mar 31 | Dec 31 |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Goodwill | 28 176 | 28 175 | 28 176 |
| Other intangible assets | 3 814 | 3 871 | 4 021 |
| Property, Plant & Equipment | 1 095 | 1 020 | 1 063 |
| Other assets | 1 153 | 641 | 1 655 |
| Deferred tax assets | 1 013 | 54 | 1 016 |
| Total non-current assets | 35 251 | 33 761 | 35 931 |
| CURRENT ASSETS | | | |
| Inventories | 30 195 | 18 431 | 27 560 |
| Tax receivables | 1 112 | 1 325 | 1 058 |
| Accounts receivable | 14 181 | 16 812 | 19 149 |
| Other assets | 11 513 | 11 403 | 8 021 |
| Cash and cash equivalents | 4 057 | 2 576 | 7 379 |
| Total current assets | 61 059 | 50 547 | 63 168 |
| TOTAL ASSETS | 96 310 | 84 308 | 99 099 |
| EQUITY AND LIABILITIES | | | |
| Equity | 17 801 | 18 171 | 18 171 |
| NON-CURRENT LIABILITIES: | | | |
| Tax liabilities | 3 | 2 853 | 3 |
| Other liabilities | 8 006 | 8 749 | 8 662 |
| Interest-bearing liabilities | 32 809 | - | 32 918 |
| Deferred tax liabilities | 1 350 | 629 | 1 350 |
| Total non-current liabilities | 42 168 | 12 232 | 42 934 |
| Current liabilities: | | | |
| Provisions | 563 | 1 082 | 654 |
| Interest-bearing liabilities | 1 197 | 18 425 | 1 031 |
| Accounts payable | 12 337 | 17 605 | 15 801 |
| Tax liabilities | 5 913 | 1 904 | 6 050 |
| Other liabilities | 16 331 | 14 888 | 14 457 |
| Total current liabilities | 36 341 | 53 904 | 37 993 |
| Total liabilities | 78 509 | 66 137 | 80 928 |
| TOTAL EQUITY AND LIABILITIES | 96 310 | 84 308 | 99 099 |
| Summary of changes in equity, KEUR | | | |
| Equity as of December 31, 2019 | | 20 100 | |
| Comprehensive income January 1 – December 2020 | | -1 929 | |
| Equity as of December 31, 2020 | | 18 171 | |
| Comprehensive income January 1 - March 31, 2021 | | -370 | |
| Equity as of March 31, 2021 | | 17 801 | |

Group

| | 2021 | 2020 | 2020 |
|---|---------------|---------------|----------------|
| | (3 months) | (3 months) | (12 months) |
| Summary cash flow statements, KEUR | Jan 1- Mar 31 | Jan 1- Mar 31 | Jan 1 - Dec 31 |
| OPERATING ACTIVITIES | | | |
| Result before tax | -924 | -3 300 | 843 |
| Adjustment for items not included in cash flow from operations or items not affecting cash flow | 1 298 | 3 446 | 7 687 |
| Paid taxes | -429 | -101 | -429 |
| Cash flow from operations prior to changes in working capital | -55 | 45 | 8 101 |
| Cash flow from changes in working capital: | | | |
| Increase (-)/decrease (+) in inventories | -2 635 | -1 000 | -10 130 |
| Increase (-)/decrease (+) current receivables | 2 486 | 8 355 | 14 468 |
| Increase (-)/decrease (+) in non-current receivables | 519 | 238 | -1 740 |
| Increase (+)/decrease (-) current liabilities | -658 | -280 | -2 258 |
| Increase (+)/decrease (-) in current liabilities | -1 580 | -7 075 | -11 981 |
| Cash flow from operations | -1 923 | 282 | -3 540 |
| INVESTMENT ACTIVITIES | | | |
| Investments in intangible assets | -189 | -263 | -1 344 |
| Investments in tangible assets | -232 | -72 | - 547 |
| Investments in subsidiaries | -256 | - | -326 |
| Cash flow from investment activities | -677 | -335 | -2 217 |
| FINANCING ACTIVITIES | | | |
| Interest-bearing liabilities | -108 | -750 | 34 000 |
| Amortization of interest-bearing liabilities | 166 | - | -21 313 |
| Paid interest and other expenses | -779 | -266 | -3 195 |
| Cash flow from financing activities | -722 | -1 016 | 9 493 |
| Cash flow for the period | -3 322 | -1 068 | 3 735 |
| Cash and cash equivalents at the beginning of the period | 7 379 | 3 645 | 3 644 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 4 058 | 2 576 | 7 379 |

NOTE 1 REFERENCES

- Seasonal and phone launch fluctuations, see page 7
- Reporting per operating segment see page 11
- For further information on accounting principles reference is made to the 2020 annual report
- For events after the end of the period see page 7

NOTE 2 ACCOUNTING PRINCIPLES

As of the financial year 2017 the currency of the Parent Company is Euro (EUR), which is also the reporting currency of the parent company and the Group.

STRAX prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and with the restrictions which apply due to the Swedish national legislative when preparing the parent company's financial statements.

The Interim report for the group has been prepared in accordance with IAS 34 "Interim Reporting" and applicable sections of the Annual Accounts Act.

The section of the report applicable to the parent company has been prepared in accordance with Annual Accounts Act, Chapter 9.

The same accounting principles are applied as in the annual report for 2020.

Accounting and valuation of shares and participations

Shares and participations in subsidiaries and associated companies are in the parent company accounted for at acquisition cost with the fair value of the earlier holding in STRAX at the time of acquisition comprised of fair value to the part to which it relates.

NOTE 3 FAIR VALUE: FINANCIAL ASSETS AND LIABILITIES

Since the group's interest-bearing liabilities consist of variable rate loans and the margin in the contracts are expected to be the same if the group should raise equivalent loans at the reporting date, the fair value of the loans is expected to be in all material respects equal to their carrying amount. The groups other financial assets and liabilities mainly comprises of receivables which are current assets and current liabilities. As the duration of these are short-term, the carrying amount and fair value are in all material respects equal.

Definitions

| Key ratio | Calculation | What it measures or represents |
|---|---|---|
| Equity/Asset ratio | Equity as a percentage of the total assets. | This measure reflects the financial position and the long-term solvency and resistance to periods of economic downturn. |
| Equity per share | Equity in relation to the number of shares at the end of the period. | Measures development of equity in relation to number of outstanding shares at the end of the period, captures both changes in equity and changes in number of outstanding shares. |
| Number of shares at the end of the period | The number of shares at the end of each period adjusted for bonus issue and share buy-back etc. | Calculation bases for all balance sheet per shares based key ratios. |
| Items affecting comparability | The number of shares at the end of each period adjusted for bonus issue and share buy-back etc. | Calculation bases for all balance sheet per shares based key ratios. |
| Gross profit | Sales less the cost of goods sold. | Measures how well prices to customers in relation to cost of goods sold are maintained including costs to deliver sold goods. |
| Gross margin | Gross profit in relation to sales expressed as a percentage. | Gross profit in relation to Sales, efficiency measure presented in percentage. |
| Operating profit/loss | Operating income minus operating costs for the specified period before financial items and taxes. | Measures overall profitability from operations and ongoing business activities including depreciation and amortization. |
| EBITDA | Operating profit/loss plus depreciations. | Measures overall profitability from operations and ongoing business activities including depreciation and amortization. |

Group

| | 2021 (3 months) Jan 1- Mar 31 | 2020 (3 months) Jan 1- Mar 31 | 2020 (12 months) Jan 1- Dec 31 |
|-------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|
| Bridge to EBITDA, KEUR | | | |
| EBITDA | | | |
| Operating profit | -253 | -171 | 6 774 |
| + Depreciation & amortization | 596 | 450 | 1 756 |
| EBITDA | 343 | 279 | 8 530 |

Parent Company

| | 2021 | 2020 | 2020 |
|--|----------------|----------------|----------------|
| | (3 months) | (3 months) | (12 months) |
| Summary income statements, KEUR | Jan 1 – Mar 31 | Jan 1 - Mar 31 | Jan 1 - Dec 31 |
| INVESTMENT ACTIVITIES | | | |
| Net Sales | 230 | 253 | 1 036 |
| Gross profit | 230 | 253 | 1 036 |
| Administrative expenses | -303 | -268 | -976 |
| Operating income | -73 | -15 | 60 |
| Net financial items | 73 | 15 | -60 |
| Result after financial items | - | - | - |
| Current taxes | - | - | - |
| RESULT FOR THE PERIOD | - | - | - |
| Statement of comprehensive income, KEUR | | | |
| Result for the period | - | - | - |
| Other comprehensive income | - | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | - | - | - |
| | 2021 | 2020 | 2020 |
| Summary balance sheets, KEUR | Mar 31 | Mar 31 | Dec 31 |
| ASSETS | | | |
| Non-current assets | 132 | 134 | 132 |
| Non-current financial assets | 75 693 | 75 693 | 75 693 |
| Total non-current assets | 75 825 | 75 827 | 75 825 |
| Current receivables | 478 | 440 | 495 |
| Cash and bank balances | 911 | - | 3 976 |
| Total current assets | 1 389 | 440 | 4 471 |
| TOTAL ASSETS | 77 214 | 76 267 | 80 296 |
| EQUITY AND LIABILITIES | | | |
| Equity | 63 076 | 63 076 | 63 076 |
| Current liabilities | 14 138 | 13 191 | 17 220 |
| Total liabilities | 14 138 | 13 191 | 17 220 |
| TOTAL EQUITY AND LIABILITIES | 77 214 | 76 267 | 80 296 |
| Summary of changes in equity, KEUR | | | |
| Equity as of December 31, 2019 | | | 63 076 |
| Comprehensive income Jan 1 - Dec 31, 2020 | | | - |
| Equity as of December 31, 2020 | | | 63 076 |
| Comprehensive income Jan 1 – Mar 31, 2021 | | | - |
| Equity as of March 31, 2021 | | | 63 076 |